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NEWS RELEASE

FOR IMMEDIATE RELEASE: July 17, 2002

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CITY WINS LATEST BALLPARK APPEAL ***ALL CONTRACTS PROPERLY RATIFIED***

San Diego, CA: The Fourth District Court of Appeal today ruled that the San Diego City Council properly ratified prior actions of the City implementing the downtown Ballpark and Redevelopment Project. The City Council's actions protected project related contracts from charges of invalidity in light of allegations about gifts made to former City Council Member Valerie Stallings.

"This decision makes three points, all confirming our positions," said San Diego City Attorney Casey Gwinn. "First, it says that the Memorandum of Understanding between the City and the Padres was adopted by 60% of the voters, and therefore the charges about one City Council member cannot take that contract away from the people. Second, it says that the ratification acts we proposed to the City Council were legally proper and that the City Council had a right to adopt them. Third, it acknowledges that allegations against Valerie Stallings made by two plaintiffs -- not the prosecutors -- involve a legal conflict of interest. It is important to remember that those plaintiffs alleged bribery, not just failure to report gifts. Neither the U.S. Attorney nor the District Attorney found any reason to charge bribery."

In today's decision, the Court of Appeal agreed that the ratification was valid. It also said that the ratification made the suit against the contracts moot. "Today is another significant milestone on the long journey toward a new ballpark," said Mayor Dick Murphy. "The City's litigation team of City Attorney Casey Gwinn, Assistant City Attorney Les Girard, and outside counsel Charles Bird are still batting 1000."

Two Ballpark opponents in 2000 sued the City, other public agencies, and the San Diego Padres, claiming that gifts from Padres owner John Moores to Valerie Stallings made all Ballpark Project contracts void. While that suit was pending, the United States Attorney for San Diego and the San Diego County District Attorney investigated the relationship between Stallings and Moores. On January 29, 2001, Stallings pled guilty to two misdemeanor counts of failing to report gifts. She resigned from the City Council the same day. The two prosecuting agencies filed no charges against Moores or any other person.

The City Council, with seven newly-elected members, in February 2001 reconsidered the Ballpark Project and passed resolutions reaffirming it. Those resolutions stated their purpose was to ratify all the Ballpark Project-related contracts and protect them from the charges regarding the gifts to Stallings. The City filed an action in superior court for a declaration that the ratification was valid. The court granted judgment for the City. Another judge threw out the older suit that attacked the contracts.

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